

# CONTROLLER STEVE WESTLY

## STATE OF CALIFORNIA

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## Controller Pays Cities and Counties \$440 Million in Transportation Funds

To find individual city and county payments, visit <http://sco.ca.gov/ard/payments/traffic/index.shtml>

**SACRAMENTO** – State Controller Steve Westly today returned to California’s cities and counties \$440 million in transportation funds that the State took to cover two budget cycles.

“California’s cities and counties are where the rubber meets the road – either services get delivered or citizens get disappointed,” Westly said. “Sacramento has long been using local governments’ transportation funds to cover its budget mess, so I’m pleased to send these long-awaited millions to the cities and counties that need it most.”

The Controller’s payments reimburse local governments for Proposition 42 transportation funds that the State borrowed in the 2003-04 and 2004-05 fiscal years. The Controller also included in the payments interest accrued on the borrowed amounts.

Proposition 42, which voters overwhelmingly passed in 2002, requires that State sales and use taxes on motor vehicle fuel sales be used for public transportation, State highway improvements, and city and county street and road repairs and maintenance. Proposition 42 has been suspended since its passage with the money diverted to the State’s General Fund.

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